

# INTRODUCTION OF THE ATTORNEY FEE PAYMENT SYSTEM IMPROVEMENT ACT OF 2001

**HON. E. CLAY SHAW, JR.**

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Friday, November 16, 2001*

Mr. SHAW. Mr. Speaker, today I am introducing legislation that, if enacted, would update and improve the fee payment system to attorneys who represent Social Security Disability Insurance claimants as well as Supplemental Security Income claimants.

As many of you know, filing for Social Security benefits—especially disability benefits—is so complicated that many claimants must hire attorneys to guide them through the process.

Attorneys who represent Social Security claimants may choose to receive their fees directly from the Social Security Administration. Under this option, the agency deducts the fee from the claimant's past-due benefits and forwards it to the attorney. Prior to last year, taxpayers picked up the tab for the agency's costs of processing, withholding, and forwarding this fee to the attorney.

The Ticket to Work and Work Incentives Improvement Act changed that. Many people on both sides of the aisle agreed that having lawyers—not taxpayers—pay for Social Security's processing of their paychecks was the right thing to do. The law also required the General Accounting Office to examine a number of issues relating to the agency's processing of attorney fees.

In a hearing held in May of this year, the Ways and Means Subcommittee on Social Security examined the current state of service delivery to claimants and their representatives, the findings of the GAO study about the costs of administering the attorney fee, the feasibility and advisability of two types of fee assessments, the potential for assessments to reduce applicants' access to representation, the feasibility of linking fee assessments to the timeliness of payment to attorneys, and the advisability of extending attorney fee disbursement to the Supplemental Security Income program.

During the hearing, the Subcommittee learned that despite improvement in the timeliness of the Social Security Administration's processing of attorney fees, there are a number of viable process improvements that can be implemented to ensure the best possible service delivery to claimants and their attorneys. That is why, I, along with Ranking Member MATSUI, are introducing the Attorney Fee Payment System Improvement Act of 2001.

This legislation improves the attorney fee payment process in a number of ways. First, it would increase the current fee cap (which limits fees under fee agreements to 25 percent of past-due benefits or \$4,000) from \$4,000 to \$5,200. The new cap increase represents the first time the cap has been raised in ten years.

Second, the 6.3 percent assessment on an attorney's approved fee will be subject to a cap of \$100 to help ensure enough attorneys remain available to represent claimants before the Social Security Administration.

Third, the bill would improve Supplemental Security Income applicants' access to representation. Because there is no direct payment of attorneys' fees in SSI cases, many attorneys cannot collect a fee from a successful

client, and as a result choose not to represent those applying for SSI. The disability application process is just as complex and just as difficult to navigate, whether an individual is applying for Social Security disability benefits or SSI benefits. This provision will help ensure that all claimants have equal access to representation.

Individuals with disabilities rely on Social Security disability and/or SSI benefits for life-sustaining income. We must do all we can to ensure their efforts to obtain benefits are supported, not hampered. Enactment of this bill will help. I urge all Members to co-sponsor this important legislation.

## THE RESTORE ACCESS TO FOREIGN TRADE ACT OF 2001

**HON. JERRY WELLER**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Friday, November 16, 2001*

Mr. WELLER. Mr. Speaker, today, I am pleased to introduce the Restore Access to Foreign Trade Act of 2001, the (RAFT Act), on behalf of myself and my colleagues; Mr. RANGEL, Mr. CRANE, Mr. FOLEY, Mr. SHIMKUS and Mrs. BIGGERT.

The RAFT Act reverses tax law that has nearly destroyed our great maritime system by excluding shipping income from Subpart F, a section of the Internal Revenue Code affecting the taxation of income of U.S. controlled foreign corporations (CFC).

Prior to 1976, income earned by CFCs from U.S. owned foreign shipping operations was not treated as Subpart F income, and was subject to taxation only when repatriated, or brought back into the United States. The Tax Reform Act of 1975 eliminated this deferral, except for foreign shipping income reinvested in certain qualified shipping investments. The 1986 Tax Act repealed the reinvestment exception, subjecting foreign shipping income earned by CFCs to current taxation under Subpart F.

While the issue may sound complicated, the consequences are simple: the U.S.-owned liner container trade has seen its market share drop from nearly 22 percent in 1994 to just three percent in 1999. Thousands of jobs across America have been lost. This decline is dangerous from both an economic and national security standpoint—loss of an economically important industry and our country's inability to rely on the availability of a U.S. fleet in times of national security crises.

Mr. Speaker, at this critical time, national security concerns are uppermost in our minds. The immediate availability of U.S.-owned vessels in times of national security crises is a key component of the U.S. government's defense programs.

The anti-competitive impact of Subpart F will continue to erode the U.S. owned fleet and will ultimately result in an international marketplace that has no American participation.

Our trading partners have actively pursued tax policies designed to encourage and increase their shipping industry. The U.S. Government needs to work towards the same goal. We must not allow the tax code to penalize U.S. companies in the current economic environment.

I ask my colleagues to support this important legislation.

# THE ROLE OF RUSSIA AND THE CASPIAN IN ENSURING ENERGY SECURITY

**HON. CHRISTOPHER COX**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, November 16, 2001*

Mr. COX. Mr. Speaker, I rise to point out that while the attention of the world is now rightly focused on Afghanistan and the war against terrorism, we should not forget that a large part of the oil and gas consumed by the United States and the rest of the industrialized world comes from the conflict-ridden Middle East. In addition to the need to address the issue of energy independence through new domestic sources of supply, conservation and the development of renewable energy resources, we need to be thinking about the best possible way of protecting the security of alternative sources of oil and gas outside the United States. For example, the Caspian Sea region has substantial resources, and that source of supply is important to us.

Akezhan Kazhegeldin, an economist, a businessman and a former prime minister of oil rich Kazakhstan, has written a very thoughtful article on this subject that appeared in the Russian publication *Vremya Novostei* on October 15, 2001. In his article, Dr. Kazhegeldin states that oil and gas from Kazakhstan and the other energy producing nations bordering on the Caspian Sea could provide an important backup source of energy, complementing what now comes from the Persian Gulf countries. In addition, referring to the debate surrounding the route of a future pipeline carrying Caspian oil to consuming countries, Dr. Kazhegeldin asserts that there is no reason for the West and Russia to be at loggerheads on the pipeline issue now that the Cold War is over. He goes on to describe how the West and Russia could, in his view, work together on a pipeline solution that would benefit everyone.

I commend this article to my colleagues, and I ask unanimous consent that the full text of the article be printed at this point in the RECORD.

## GLOBAL ARC OF STABILITY—THE WAY RUSSIA AND THE CASPIAN CAN MAKE THE WORLD STABLE

The September 11 tragic events and launching of the Afghan campaign, seen as the first stage in "the global war against terror", have changed the world dramatically. Protection of peaceful citizens from possible terror acts appears as just a tip of the huge pyramid of new problems. We are facing an acute and more global problem, the problem of ensuring the industrial world's economic safety.

The supply of the developed nations' energy, above all, oil and gas, is a critical and vulnerable element in the world's economic relations. A great part of the developed oil fields are concentrated in the highly insecure and conflict-ridden Middle Eastern region, which makes the threat of oil blockade and energy crisis for the industrial countries, the main oil and gas consumers, a perpetual nightmare. Unpredictable dictators are no less dangerous than terrorist groups. Should the interests of both in the region coincide, the rest of the world would find itself in an impasse.

Even if everything goes very well and the antiterrorist campaign ends quickly, the